


Issue 5

Fall 2010

## KENTUCKY DEPARTMENT FOR NATURAL RESOURCES

# Natural Resources Review



Enterprise Mining's (Big Branch South Mine) Award winning reclamation site  
Photo by: Crystal Byrd

### OUR MISSION STATEMENT

The department, through its divisions and partnerships, provides technical assistance, education and funding to help landowners, institutions, industries, and communities in conserving and sustaining Kentucky's natural resources. In addition, the department inspects timber harvests and mining operations to ensure the protection of our citizens, our environment, and our workers.





## Commissioner's Corner

**By Carl E. Campbell, Commissioner  
Department for Natural Resources**

Dear Colleagues,

I have truly enjoyed getting into the field recently and meeting more of you who do such a wonderful job for the department. My staff and I have been in the process of presenting the *Commissioner's Award of Excellence in Reclamation* to the coal industry, a very positive tool that recognizes excellence in a highly demanding field of endeavor. When they are recognized for their efforts, it sets the standard high for their peers and the end result is that we have better reclamation across the board. It also provides DNR senior staff the opportunity to get better acquainted with DMRE employees that perform admirably day in and day out and obtain their take on the issues encountered every day on their jobs.

I want to congratulate the employees of the Division of Mine Permits for their exceptional work. This time last year we were confronted with a tremendous backlog of delinquent permits. Hard work, determination, leadership, and commitment by division employees has resulted in a **67% overall decrease in delinquent permits** since November of last year.

Times are tough with the current economy when coupled with furlough days, loss of raises, and increases in the cost of health insurance. While I recognize these difficulties affect each employee differently, for many, the loss of pay is devastating and may cause stress and frustration. Rest assured that we are making every effort to ensure that the Department's budget is spent wisely and every division has been forced to make adjustments to the way they conduct business. We constantly look for ways to save dollars or increase revenue to keep more funds available to pay the salaries of our most important resource, the dedicated staff of this department.

Job performance has not diminished during this time, an accomplishment for which you should take a lot of pride, as I do. Through our online publications and the new intranet, my commitment is to keep you well informed and highlight the many accomplishments of our division employees. I want to personally thank each of you for your work which is vital to our success and collectively adds up to great things being accomplished by the Department.

While it has been slow in arriving, there are indications of positive movement on several fronts. OMSL has seen a steady increase in the number of active mines being licensed, an encouraging sign for both the coal industry and our department. In virtually all areas we oversee, whether it's oil and gas, agriculture, or forestry, an up-tick in industry activity generates more revenue to state government which could make the possibility of furloughs more unlikely next fiscal year.

As we head into a time of year where we celebrate both Thanksgiving and Christmas, I would like to offer the nearly 850 employees of the department and their families my best wishes for a safe and joy-filled holiday season. Once again, my sincere thanks for the work that you do.

## *Commissioner's Excellence in Reclamation Awards*

### *Coal operators recognized for best management practices*

This year the *Commissioner's Excellence in Reclamation Awards* were continued, in each of the five coal producing regions to companies nominated by the regional office inspection staff. The regions are Pikeville, Prestonsburg, London, Middlesboro and Madisonville. Commissioner Campbell traveled to each region during September and October to present a plaque and personalized poster to each winner. The purpose of the awards is threefold:

- It recognizes companies whose reclamation efforts have exceeded the requirements of the Surface Mining Control and Reclamation Act (SMCRA);
- It acts as an incentive to coal companies to aspire to higher than required levels in their reclamation efforts;
- It recognizes the hard work of our Inspectors.



**Alden Resources:** The site is a 24.9 acre surface mine operation that began in 2009. Mining on the Blue Gem and Little Blue Gem seams prior to the Surface Mining Control and Reclamation Act (SMCRA) of 1977 left a dangerous highwall and an orphan mine bench on the site in Whitley County. As a result of Alden Resources reclamation efforts, the highwall was completely removed and the terrain is now in a more usable condition. The post-mining land use of grassland capable of supporting cattle grazing was agreed upon by the coal company and the landowners prior to mining. DMRE inspectors Orlande Johnson and Larry Gulley from the Middlesboro Regional Office nominated this site because of the company's exceptional work and their commitment to the environment. In presenting the award to George Adams of Alden, Commissioner Campbell emphasized company's outstanding reclamation work. Creating a place for both cattle and wildlife to thrive provides many benefits to the landowner, the community and our state.

**Enterprise Mining, LLC:** Nominated for outstanding reclamation work, this surface facility is located in Knott County near the community of Amburgey. The approaches used by the company in both mining and reclamation activities was both efficient and minimized the environmental impact: multiple coal seams were mined simultaneously so that future disturbances in the watershed will be minimal; nutrient-rich topsoil was "banked" for later use in reclamation and seeded to ensure against loss due to erosion; water runoff control techniques were extremely effective in preventing erosion and excessive siltation of the watersheds; roads, ponds and hollowfills were shared with an adjoining mining operation to minimize disturbance. As a result of Enterprise Mining Company's reclamation efforts, the landowner's wish for pastureland as the post mining land use was achieved.







**LABCO, LLC:** Located in Pike County, near the community of Elkhorn City, this mining facility is a surface area and re-mining operation. The permit was approved for hollowfills, but LABCO did not use them. As a result, no streams were negatively impacted in the mining process. LABCO, LLC has begun to establish a diverse and permanent vegetative cover with the planting of grasses orchard-grass, timothy and redtop grasses and several legumes species. The landowner specified fish and wildlife with an emphasis on bat habitat as the post mining land use. The establishment of tree species with exfoliating bark has been incorporated into the reclamation plan for the protection of the Indiana Bat, as well as cover for other wildlife. County Judge-Executive Wayne Rutherford attended the presentation and congratulated the Salyers' for their achievement. Deputy Secretary of the Energy and Environment Cabinet Hank List attended this and several other awards presentations this year.

**B & W Resources, Inc:** Located in Clay County near the community of Garrard, the re-mining site had a host of violations dealing with water quality, disposal of coal processing waste, backfilling/grading and off-permit disturbance. B & W Resources took quick and effective action to remedy past ills of the prior company. Piles of refuse with little drainage remained where water drained down the front and face of the fill into a pond whose iron content was off the charts. The refuse was removed and proper drainage channels created and side ditches reworked with new rock to allow accurate water flow and minimize water run off. A new core was placed in the fill and the refuse replaced properly through the fill with treatment pipes leading to an under drain in the fill area for easy access to aid in water treatment. Lime was layered in with the refuse as it was compacted. Limestone channels lined in geo fabric were added to the fill to aid in treating the water. The red iron-laden ponds no longer require treatment, and what looked like a wasteland is now a feeding and watering place for livestock, deer, turkey, duck and geese. Senator Robert Stivers and Representative Tim Couch attended the event.



**Dyson Creek Coal:** This surface facility is located in Webster and Union Counties, near the community of Wheatcroft. Dyson Creek Coal Company was hired to reclaim the mine site that had been abandoned due to bankruptcy of another coal company in 2003. Dyson began this project in 2004 and finished the project earlier in May of this year. Dyson removed all structures including concrete silos, reestablished silt control and reclaimed a 400-acre refuse fill and adjacent slurry impoundment. Although the contract required 24 inches of topsoil covering all areas, Dyson placed 48 inches of topsoil on 450 acres at no additional cost to the Commonwealth. While Dyson's contract required seeding areas only once, they consistently reseeded large and small areas as needed. As a result of Dyson Creek Coal Company's reclamation efforts, the area now functions as cropland, pastureland, and fish and wildlife habitat. Union County Judge Executive Jodie Jenkins attended the event, commended the company, and thanked them on behalf of the community for their partnership and employment opportunities that were provided.





## Ground-breaking Ceremony Kicks off Partnership

City of Wheelwright, DNR, and Viking Re-mining clean up refuse pile within the city limits  
*Evan Satterwhite, DNR*

A reclamation enhancement project, two years in the making, is going forward in the City of Wheelwright that will pay huge benefits in several ways. State and local officials gathered for the groundbreaking in August and pitched ceremonial shovels to signify the start of the project. But instead of dirt, the shovels were filled mostly with coal and coal refuse which is a by-product of mining. The material will be “re-mined” and the land properly reclaimed for use by the community. The site is within the city limits in a location referred to as Slate Dump Hill.

Coal refuse piles, sometimes referred to as slate dumps, can be huge eye-sores and environmental hazards. Some piles catch fire and pose inherent safety hazards while acid mine drainage results in environmental blights on the landscape.

Over the past 50 years or so since this pile was abandoned, miles of water downstream have been affected according to local citizens.

The site is now owned by the city and its residents will receive substantial benefits from the partnership. Viking Re-mining was awarded the contract to remove the material and perform the reclamation and, from the selling of the high BTU refuse, pay royalties to Wheelwright’s general fund. It is estimated that the mining will take about two years with the reclamation taking another year. There will be no cost to state government’s Abandon Mine Land fund in the cleanup of this environmental hazard.

The end result will be an estimated \$450,000 to the City of Wheelwright, the elimination of hazardous material and water contamination, and a sprawling tract of land made available for recreational use for such activities as a playground, a ball field, and walking track.



Local officials of Wheelwright along-side state officials and company representatives start the reclamation project by holding the ceremonial groundbreaking. House Speaker Greg Stumbo (center) a native of Wheelwright and Floyd County, attended the event. Also present was Deputy Secretary Hank List, DNR Commissioner Carl Campbell, and DEP Executive Policy Advisor Ben Hale, also from Floyd County.



## *Jim Clark, Supervisor Abandoned Mine Lands*

A twenty-year veteran of the Division of Abandoned Mine Lands (AML), Jim Clark gained most of his AML experience as an inspector working in the Prestonsburg Regional Field Office. From the start, Clark realized the day-to-day importance of his job and the major responsibilities that came with it. "In this line of work, you have to be an early riser. This isn't a 9-5 job," says Clark.

Clark received a Bachelor of Science in Mining Technology from Pikeville College. He enjoyed his job for many

years as an AML Inspector and in June 2009, was promoted to Supervisor. "There are challenges and more personal motivation required in being a supervisor. Yet, it continues to be rewarding to see our projects completed. Experience is necessary for the job of supervisor, and I'm glad I've had that. I appreciate the respect of my co-workers and they know they can come to me with any questions they may have," said Clark.

AML has undergone changes in technology and personnel over the years. Clark remembers when the agency had no computers and all contracts were completed with pencils, calculators and typewriters.

Bid items and construction material used on projects were kept in hand-written log books that was very time consuming and tedious. Jim notes that in the past few years, the Prestonsburg office has seen several employee retirements and an influx of new personnel. "We have several new, young, sharp and technology-savvy guys work-

ing on our projects," said Clark.

Clark acknowledges that being friendly and from the area helps in his line of work when dealing with landowners. He truly enjoys the constantly changing environment of working with farmers, coal miners, county judge-executives,

politicians and others. "We've been able to save a lot of homes over the years. Peoples' lives have been positively impacted by our work", Clark states.

Beyond work, Clark relishes the time he spends with his wife, three children, and currently the family's two foreign exchange students. Family comes first for Clark and he is thankful that his line of work allows him to do such. Clark has refereed boys and girls high school basketball for 17 years and is an active member of the Twin Eagle Flying Club.





# CHIA Revisions Enhance the Protection of Watersheds

by: Richard J. Wahrer, Danita LaSage, Jeff Laird

OSM interim employees (left to right, back row) Jay Cunningham, Louis Bates, Brian Murphy (left to right, front row) Amy Powers, Samantha Mitchell and Tiffany Ogunsanya.

The CHIA interns have been very instrumental in setting up the “trend stations” and performing conductivity analysis for CHIA data. They all are recent graduates from universities with degrees in the environmental sciences.

The interim employees have been the solution to a problem the department faced in launching the revised CHIA program at a time when funding for additional full-time employees was not available .



The Kentucky Department for Natural Resources (DNR) is revising its approach to their Cumulative Hydrologic Impact Assessment (CHIA) process for each proposed coal mining operation. The CHIA is a required decision document that gauges the effects of a proposed mining operation on the hydrologic balance of a specified watershed.

The former Kentucky Department for Surface Mining Reclamation and Enforcement (DSMRE) developed a Cumulative Hydrologic Impact Assessment (CHIA) process in the early 1980's for the major watersheds within the Kentucky coalfields. Data were collected from USGS monitoring stations that were in close proximity to points of municipal water withdrawals. The CHIA was based on existing water quality data for sulfates and total dissolved solids (TDS); considered the extent and rate of previous mining in the watershed; and made predictions of future water quality, based on coal demand trends. The basic theory behind that model was that for each ton of coal mined there is a resultant and predictable water quality impact (typically measured as an increase in sulfates and TDS) that lasts for a given period of time. These cumulative increases could be predicted based on the rate of mining (tons mined per year per watershed).

Due to changes in environmental water quality standards and increased scrutiny by state and federal agencies regarding the effects of coal mining on stream systems, DNR created an ad-hoc committee to provide input on the components to be addressed and develop the best format applicable to the CHIA decision document. To aid in this effort, the Federal Office of Surface Mining (OSM) has committed over \$ 325,000 to hire several interim employees to compile and record historical water quality data, write watershed characterizations, and pay for laboratory analyses costs. The U S Environmental Protection Agency (USEPA) provided \$ 50,000 for field sampling equipment, such as flow meters and pH/conductivity instruments. The coal industry is assessing their ability to commit additional funding for trend station expenses. The analysis of this data will help determine the extent to which mining and other activities may affect the watersheds, with a goal of minimizing negative impacts to these critical areas. According to DNR Commissioner Carl Campbell, these funding sources allow the Department and its counterpart at OSM to increase their efforts to ensure that the watersheds in Kentucky's coalfields are protected.



## Division of Oil and Gas Stepping up Plugging of Abandoned Wells

*Working closely with landowners and federal agencies has resulted in decreased environmental hazards*

Kentucky's oil and gas industry began early in the 19th century. By the end of the Civil War, the exploration for oil and gas was well underway with the first commercial wells drilled between 1863 and 1865. Since that small beginning Kentucky's total production to-date is 9.85 quadrillion BTU, 765 million barrels of oil and 5.4 trillion cubic feet of gas. Kentucky has an estimated 18,000 producing oil wells and 13,000 producing gas wells.

For the protection of fresh water and underground sources of drinking water, wells not in production after 45 days are required to be properly plugged and abandoned or obtain a temporary abandonment permit. Many wells, however, have been improperly plugged, illegally abandoned, or orphaned. The Kentucky Division of Oil and Gas (DOG) has a program to identify and plug these wells. In July of this year the DNR Deputy Commissioner and one senior staff member accompanied by DOG staff visited several pumping and plugging operations in western Kentucky to observe and learn more about their plugging operations.

The Division began permitting all oil and gas wells in 1960. Plugging and abandonment procedures were implemented in 1961 and groundwater protection regulations began through a regulation for protection of freshwater zones in 1978. This year 275 wells are scheduled to be plugged in Kentucky.



The contractor (center) explains the process to several DNR employees that visited the site as the landowner (left) observes the plugging operation on his recently purchased property.

Since that time, production has varied with the energy market's ups and downs, but overall Kentuckians have benefited from the extraction of these natural resources. Today the division, although very small, effectively manages the large responsibility of inspecting these wells and ensuring the industry adheres to all applicable laws and regulations.



An employee at the plugging site reads and prints the seismic activity through a machine called a cement bond log, a sonic tool typically run that detects the bond of the cement to the casing and formation via a principle based on resonance.

In 2009, the division issued 1367 permits primarily for new wells, approved 1208 gathering lines, contracted the plugging of 130 abandoned wells, and conducted over 1300 inspections. The division has 14 field inspectors, 3 supervisors, and 9 administrative personnel. The Division of Oil and Gas also maintains a well history database for each well containing data relative to the permit, operator, well location, pertinent dates and well completion. Currently, there are 136,286 wells stored online and available to the public.

The Division of Oil & Gas recently entered into a Memorandum of Agreement with USEPA Region 4 to plug 29 abandoned Class II injection wells. Division inspectors have inspected the wells and prioritized the wells based on environmental and/or safety impact. The abandoned wells will be plugged by approved contractors under direction of Division field inspectors with completion expected by late December. USEPA will reimburse the Division for the plugging costs plus 5% administrative overhead for management of the plugging program.



## 2010 Kenes C. Bowling National Mine Reclamation Award Given to Kentucky Company

*Enterprise Mining Co. accepts national award in Point Clear Alabama*

The Interstate Mining Compact Commission (IMCC) presented its annual national reclamation awards at a banquet held in conjunction with their Annual Meeting on April 13, 2010, at the Marriott Grand Hotel in Point Clear, Alabama. The 2010 winner in the coal category was Enterprise Mining Company, LLC, Big Branch South Mine, KYDMRE Permit #860-0453, located in Knott County, near Amburgey, Kentucky. The permit is inspected out of the Prestonsburg Regional Division of Reclamation and Enforcement Office and was nominated by Crystal Byrd (Environmental Inspector III), Langus Martin (Supervisor), and Gregory Weddington (Environmental Control Manager). The active mining of the permit and subsequent reclamation concluded in the summer of 2009 and is now ready for phase I bond release.

Enterprise Mining Company's "Big Branch South Mine" has a permit area of 464.20 acres that is located within the watershed of the Carr Fork Lake. Prior to mining, the environment was mainly an un-travelable ridge line of mixed un-managed forest land with disturbances from logging, gas wells and previous pre-law mining. The permit involved a combination of area, contour and steep slope mining of the Hazard 5A, 7, 8 and 9 seams. The permit was granted a contemporaneous reclamation variance from the DMP for time and distance to accommodate these types of mining operations. This variance allowed for multiple seams to be mined, multiple pits to be open, and reclamation to occur simultaneously, thus maximizing resource recovery so that future disturbance in that watershed would be minimal. On average, Big Branch South Mine employed from 130 to 150 people and moved approximately 100,000 tons of coal monthly.

Timely reclamation, a well employed sediment control plan, and maintenance on the permit area were achieved using expedited grading, fertilizing and seeding. This effective process resulted in a very successful re-vegetation effort which minimized the damage to off site stream impacts and also saved the permittee time and money by not having to re-fertilize and re-seed the backfill areas. Also, to help minimize disturbance to the environment, the permittee shared facilities (roads, sediment ponds, hollow fills) with another adjoining Enterprise Mining permit. Also, any excess spoil not used for backfilling the open highwall or establishing approximate original contour (AOC) was placed in shared hollow fills. The final AOC contours created gently rolling mountains which helped to enhance the designed post mining land use of hay and pastureland. Due to the mine's proximity to the Carr Fork Lake recreational areas, pastureland was the first choice of the landowners. The gently sloped mountains will facilitate cattle and wildlife grazing and potentially increase the property value for future development. Photo by: Crystal Byrd





## Conservation Matching Trees Program Promotes Tree Giveaways and Tree Plantings

Lynn True, Division of Forestry

Each year, the Kentucky Division of Forestry (KDF) grows and sells tree seedlings to landowners and communities as well as to private and public entities for use in reforestation projects. A major partner with KDF in promoting these projects are local conservation districts. During the 2009-2010 tree planting season, 96 of the 121 conservation districts purchased seedlings through the conservation matching trees program and took advantage of KDF's offer to match a portion of their purchase with white pine seedlings. The overall purchase and match resulted in nearly 250,000 seedlings distributed and planted last season. The matching trees program is the foundation for many tree giveaways and tree planting events held during Arbor Day and Earth Day celebrations, and KDF is thankful for partner agencies such as conservation districts that help to make these events a success.



Leslie County Forest Ranger Technician, Genelle Jones, assists students from Stinnett Elementary with planting persimmon, black oak and Northern Red Oak during an Earth Day celebration. The event was part of the matching trees program.



Leslie County Conservation District Worker, Connie Sizemore, and Leslie County Forest Ranger Technician, Genelle Jones, pose with students from Stinnett Elementary during a tree planting project for Earth Day.

### *Noteworthy News— Division of Forestry*

- The Kentucky Association of Conservation Districts recognized the work of Division of Forestry employees at its annual meeting in July.

Forest Ranger Technician III Belinda Wilkins-Smith was awarded KACD's first *Firewise* Award for accomplishments in promoting the Firewise program and her work with local communities in getting them "Firewise."

The Central District was awarded the KACD *Forestry* Award for its work with local conservation districts, especially the Warren County Conservation District that won the KACD Conservation District Award for Forest Stewardship.

Congratulations to Belinda and the Central District for their awards!

- In September, DNR signed a Memorandum of Agreement between the Division of Forestry (DOF) and Abandoned Mined Lands (AML) whereby the US Forest Service is providing \$100,000 through DOF to have trees planted on forfeited bond sites.



# WEST LIBERTY SERVICE CENTER PEOPLE'S GARDEN

By: Pam Williams, Field Representative Division of Conservation

After reading a memo from the USDA Secretary of Agriculture challenging USDA employees, as well as non-USDA agencies and organizations across the nation to *create People's Gardens* in their communities, all partner agencies co-located in the West Liberty Service Center agreed that a community vegetable garden could serve two purposes: promoting the goal of the PGI of nurturing, maintaining and protecting a healthy landscape; and supporting President Obama's community service initiative "United We Stand". With these goals in mind the employees and volunteers in West Liberty launched the idea of the West Liberty's People's Garden.

Multi-county senior citizen facilities and food banks in northeastern Kentucky were identified to be the recipients of the first ever fresh produce donations provided by the program. These organizations will receive additional food support this summer for distribution to eligible participants in their area. The West Liberty USDA Service Center partner agency employees took part in the People's Garden Initiative to develop a community vegetable garden and donate the harvests to charitable organizations for distribution in their communities. The first planting of vegetables took place in observance of Earth Day on April 22<sup>nd</sup> and continued through the spring with a variety of beans, corn, pepper, squash,

cucumber, tomato, cabbage, potato, sweet potato, carrot, broccoli, onion and radishes until the over 2000 square foot plot was completely planted. The growing season for the West Liberty People's Garden proved to be ideal this year with an abundance of fresh produce that saw first harvest on June 19 and continued throughout the summer. The garden yielded over 175 pounds of green beans, 660 ears of corn, hundreds of pepper, squash, carrot, radishes, broccoli and tomatoes.



Photo by: Pam Williams

All of the distribution points welcomed the garden donations and recipients were especially appreciative of receiving the fresh produce this summer. The garden has almost ceased production and the last produce of the season is currently being distributed. The months of coordination, persistent involvement, and the numerous volunteer hours it took to make this project possible was a rewarding experience for all. The project had a tremendous impact in the area for those that took advantage of the fresh, nutritious produce. Each individual and agency incorporated their knowledge and skills into developing the garden, which most likely resulted in the high yields and success of the garden. The West Liberty People's Garden volunteers were especially humbled by this experience when they observed the gratitude expressed by the recipients of fresh produce.



## Office of Mine Safety and Licensing (OMSL) Unveils Mine Safety Campaign

*Emphasizing miner safety on multiple levels will achieve lower accident rates and save lives*

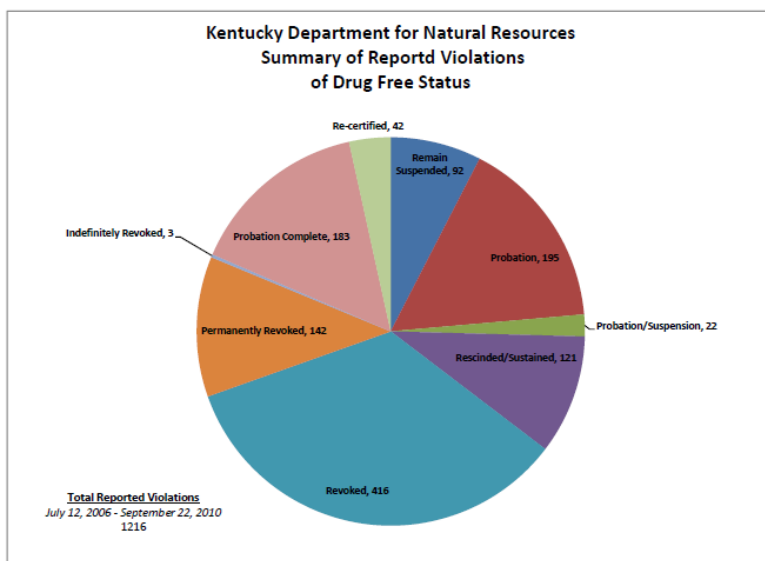
“Bring Them Home Safe!” is the theme of a new Kentucky mine safety campaign launched at the state Capitol. Since 1890, more than seven thousand miners have lost their lives in Kentucky coal mines. But in recent decades, because of mine safety improvements, mining deaths have been on the decline. So far this year, five Kentucky miners have lost their lives in mine accidents. Energy and Environment Secretary Len Peters wants to see that number drop to zero. “We aren’t there yet, but we’re certainly on our way. There aren’t very many industries that can look back over 60 years and say that their fatality rate decreased by 70% for each decade along the way,” he said. At a news conference in Frankfort, Peters read a gubernatorial proclamation declaring September as Kentucky Coal Miner Safety Month. Cabinet Secretary Peters spoke at the Kentucky Mining Institute banquet on Friday evening September 10th with an estimated 600 in attendance and also presented awards (pictured below). Kentucky hosted seven other coal producing states who were also participants in the mine safety competition. The event was one of the largest in the history of the competition with fifty mine rescue teams, fifty-two Pre-shift Examiners, eleven Mine Emergency Technicians and thirty-six Bench Men.



Chris Williams (L) of Advent Mining won the state pre-shift contest. Chris is from Madisonville KY.



Black Mountain Resources (KY) won the state mine rescue contest this year presented at the KMI banquet.



Since its inception in July 2006, the Mine Safety Review Commission (MSRC) has taken actions against 1216 miners in Kentucky after failure of the random drug test given to workers in the industry. The miners certification is suspended by the Commissioner for Natural Resources, which then must be appealed through the MSRC. After appealing and personally appearing in front of the commission, miners who demonstrate the improvements required may be reinstated in a probationary status. They enter a period wherein improvements must be demonstrated and submit to more frequent drug testing. Failure to comply within the probation period places the miner in a permanently revoked status and the miner is banned from mining in Kentucky for life.

In August, OMSL Mine Safety Analysts met in Frankfort and were trained on a new paperless inspection system. This new system allows the analyst to input inspection data electronically and have immediate access to mine information, including the ability to flag miners who have current unresolved MSRC actions.



## DMRE KEEPS GOING ELECTRONIC

### Mine reclamation and enforcement begins new procedures for delivering documents electronically

For the past several months, staff members at the Division of Mine Reclamation and Enforcement (DMRE) have been implementing new mailing procedures for the Division's enforcement documents. This mail and postage cost saving measure was the idea of DMRE's Director, Jim Dickinson, who's work and encouragement brought it to reality. Skeptics said, "It will never happen" and "The regulator community will not sign up" but these skeptics have been proven wrong.

This process started with the introduction of House Bill 215 in the January, 2010 legislative session. The bill amended KRS 350.130 Section 2 (1) to allow DMRE to send enforcement documents to permittees "by electronic mail to an address shown on the permit application or otherwise voluntarily provided to the cabinet by the permittee on a form prepared by the cabinet." KRS 350.130, Section 2 (7) states, "Service of any notice or order by electronic mail shall be effective upon delivery of the notice or the order to the recipient's inbox by electronic mail as electronically communicated to the cabinet by an electronic registered receipt."

This change was explained to the coal industry through the issuance of RAM # 146 on May 7, 2010 by Carl Campbell, Commissioner, Department for Natural Resources. In conjunction with this RAM, which went into effect on July 15, 2010, a new DMRE form was developed, the SME-101. The form allows permittees to sign up and receive all of their enforcement documents by email with a return registered electronic email receipt. It is a simple, single-page form and only one form per company is needed, regardless of the number of permits held by the company.

The process is simple. The permittee completes the SME-101 form and sends it to Ownership and Control, Division of Permits, 2 Hudson Hollow, Frankfort, Kentucky 40601. If the company does not sign up for email delivery, DMRE will continue to send the documents certified, return receipt mail as required by law, at a cost of \$5.44 per item mailed.

Why should permittees sign up for this new service from DMRE? The number one reason is that it allows for the electronic storage of documents so they can be more easily found in an electronic database. In addition, the emailed enforcement document can be sent to a permittee's distribution list and transmission to multiple personnel is instantaneous. Lastly, this electronic service saves all taxpayers money in paper, time, and postage.

SME-101 forms have been distributed to many permittees, DMRE's regional offices, and at industry meetings. More and more companies are signing up each week. In August 2010, DMRE saw a savings of \$1890.21 with only the Middlesboro Regional Office having the email procedure up and running. The new electronic delivery and R-post email certified receipt has now been implemented in all five of DMRE's regional offices and the agency expects to see a substantial savings for postage during the remainder of 2010.

If a permittee has not sent in their SME-101 form to receive their enforcement documents electronically and a SME-101 form is needed, please see the DMRE website at [www.dmre.ky.gov](http://www.dmre.ky.gov) or contact David M. Jones at DMRE in the Frankfort office.

### The KECC Has Begun



Sometimes kindness is as easy as opening a door for someone, or even saying "good job" to a co-worker. Every day we have countless opportunities to show we care. However, some problems are bigger than what everyday actions can offer. Sometimes, to make a difference, we have to reach out.

Because we care, Kentucky employees do so each year. Through KECC, over the last 17 years, we've changed thousands of lives. You can read about them at [kecc.org](http://kecc.org), by clicking on the charity names on the left.

Even during tough times, helping others doesn't take much...but it does take all of us. If you haven't given before or if you think a small amount won't matter, this year, consider making a donation. If every state employee gave just \$5 per paycheck, the campaign would be able to help three times more people than it ever has, and we'd raise over \$5 million dollars!

The charities are working harder than ever to help our friends and neighbors get through tough times. Think about where you would turn if you needed help and give that \$5 per paycheck, or more. But, no matter how big or how small, because YOU care, this year...make a gift. Thanks for all you've done, now let's make this the most powerful KECC ever!

## Gov. Beshear signs Memorandum of Agreement between the Commonwealth and USEPA to accept primacy of class II Underground injection well program

On Sept. 6, 2010, Gov. Steve Beshear concurred with the Department for Natural Resources and the Division of Oil and Gas in their quest to assume the Class II program which will provide more uniform oversight of the crude oil and natural gas industry in the Commonwealth of Kentucky.

The Division of Oil & Gas formally applied for primary responsibility of administration of the Class II Underground Injection Well program from USEPA-Region 4 under Section 1425 of the Safe Water Drinking Act. Currently, there are approximately 3,420 Class II wells in the state. A Class II injection well is defined as:

**Enhanced Recovery Wells** that inject brine, water, steam, polymers, or carbon dioxide into oil-bearing formations to recover residual oil and in some limited applications natural gas. This is also known as secondary or tertiary recovery. The injected fluid thins (decreases the viscosity) or displaces small amounts of extractable oil and gas, which is then available for recovery. In a typical configuration, a single injection well is surrounded by multiple production wells that bring oil and gas to the surface. Enhanced recovery wells are the most numerous type of Class II wells, representing as much as 80 percent of all Class II wells.

**Disposal Wells** that inject brines and other fluids associated with the production of oil and natural gas or natural gas storage operations. When oil and gas are produced, brine is also brought to the surface. The brine is segregated from the oil and is then injected into the same underground formation or a similar formation. Class II disposal wells can only be used to dispose of fluids associated with oil and gas production. Disposal wells represent about 20 percent of Class II wells.

**Hydrocarbon Storage Wells** that inject liquid hydrocarbons in underground formations (such as salt caverns) where they are stored, generally, as part of the U.S. Strategic Petroleum Reserve. There are less than 50 hydrocarbon storage wells in operation in the state primarily dealing with natural gas storage.

With the assumption of the Class II program, the Division will have greater authority in the protection of underground sources of drinking water that may be adversely impacted by operation of Class II wells. It will also benefit the industry in that permitting and enforcement will be consolidated under one state agency which will improve coordination and access.

Under the terms of the Memorandum of Agreement with USEPA, the Division of Oil & Gas will receive an annual grant of approximately \$175,000 for administering the Class II-UIC Program.



Inspector Burt Combs and Assistant Director Marvin Combs of the Division of Oil and Gas Look at a class II injection well.

### Reminder to all Coal Operators and PE's:

**All applications for coal permits will be required electronically after January 3, 2011. Paper applications will be accepted from companies making the transition through December. Thanks for your cooperation.**



## Division of Abandoned Mine Lands Announces Helpful Guide for Homeowners

By: Corey Ann Howard, AML

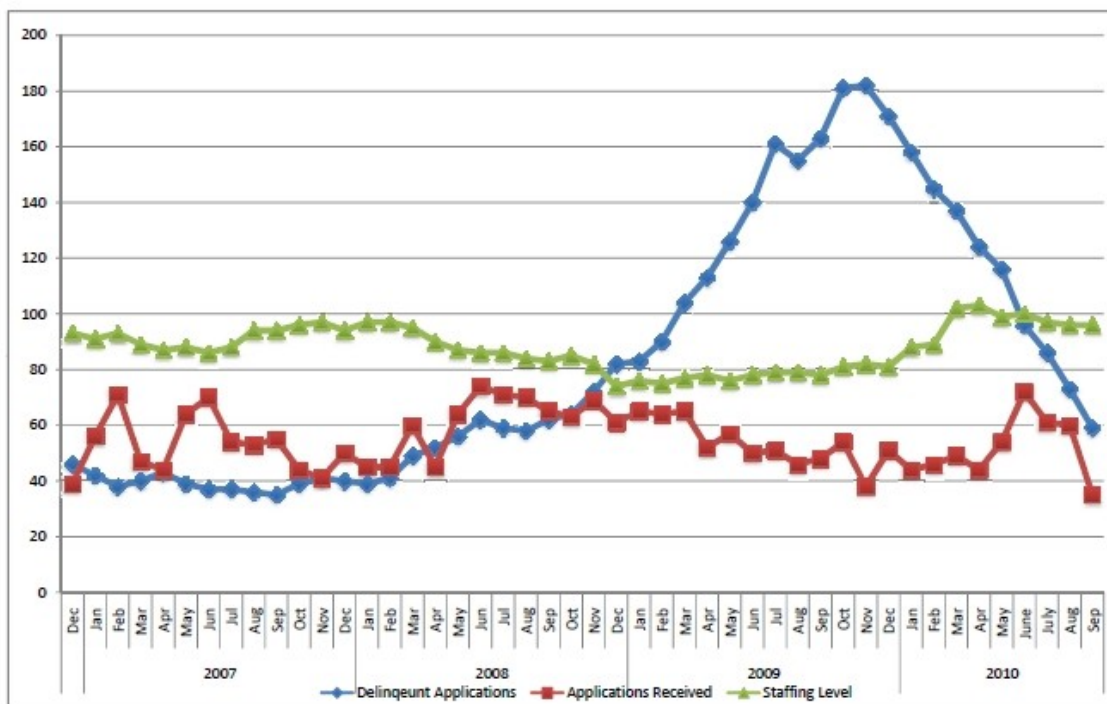
The Division of Abandoned Mine Lands (DAML) recently published the *Abandoned Mine Land Homeowner and Development Guide*. The guide informs residents, landowners, developers, and state and local officials of the potential problems of living and developing on abandoned mine land sites in Kentucky. Additionally, the publication provides an overview of the Commonwealth's abandoned mine land program and its mission of abating environmental, health and safety hazards caused by mining that occurred prior to 1982. DAML recently distributed the guide to all state and local officials in the coalfield counties of Kentucky.

According to Energy and Environment Cabinet Secretary Len Peters, "Our goal is to prevent citizens from being placed at risk of harm from abandoned mine land hazards before home construction or development begins. The Cabinet strongly advises that AML issues be assessed during the land planning process, well ahead of development."

"I believe this guide provides sound advice to land owners and developers. This publication will aid our citizens in making informed decisions about developing land, as well as moving on or near abandoned mine sites. Educating the public of the hazards of AML sites is of utmost importance," said Director Steve Hohmann.

For more information, the guide is available to the public on the agency's website at [www.aml.ky.gov](http://www.aml.ky.gov).

### Delinquent Coal Permit Applications- 67 % Reduction Achieved



Delinquent applications in the Division of Mine Permits are one measuring stick used to gauge reviewer productivity, staffing levels, and how well how the industry is doing in submitting their applications. Current market trends in mining also affects the number of applications submitted and the delinquency rate. As of this writing, delinquent applications are at 59, a substantial reduction from its peak of 180+ in December of '09.

## Kentucky Heritage Land Conservation Fund Continues Purchasing Tracts that Serve Public, Communities, and Wildlife.

The 69th meeting of the Kentucky Heritage Land Conservation Fund Board of Directors was held on July 19, 2010. The passion of the members as they go about their business of purchasing land in Kentucky for the purpose of conserving and preserving natural areas permanently was evident. They deliberately asked focused and informed questions to the groups that presented projects proposing tracts of land to be purchased. The applicants presented their plan to develop and maintain the property and described in great detail how the purchase of the property will benefit the communities or preserve wildlife. The Board took action on several proposals to develop files needed to ultimately make the decision to purchase or reject the proposed acquisitions. On this day, the agenda was full, with a discussion on program finances, proposed projects and future needs in order to sustain their mission of preserving Kentucky's unique and valuable natural resources.

In addition to the regular appointed board members, there are various professionals from relevant state government agencies that attend the meetings and represent their interests:

- Fish and wildlife
- Parks
- Nature Preserves
- KY Wild Rivers program
- Local governments, and Colleges

### **Kentucky Heritage Land Conservation Fund:**

This fund was established to provide funds for: natural areas; areas important to migratory birds; areas that perform important natural functions subject to alteration or loss; and areas to be preserved in their natural state for public use, outdoor recreation and education. Revenue for the fund comes from the Nature License Plate, the state portion of the un-mined minerals tax, and environmental fines. KHLCF is the primary source of state funding for the purchase of natural areas and is committed to protecting and conserving the Commonwealth's precious natural areas for enjoyment by this and future generations.



The 2010 KHLCF board holding its quarterly meeting under the direction of Dr. William H. Martin, Chairman. To learn more about KHLCF read their 2009 annual report, click: <http://heritageland.ky.gov/Documents/2009AnnualReport.pdf>  
Photo by: Evan Satterwhite

The Kentucky Heritage Land Conservation Fund is managed by a board of 12 members appointed by the Governor. Since the first monetary awards were made in 1995, the board has approved 177 projects in 65 counties utilizing a total of \$42.8 million. The Environmental Education Council receives \$150,000 of environmental fines each year for environmental education programs.

In fiscal year 2009, The Kentucky Heritage Land Conservation Fund (KHLCF) Board reviewed numerous applications and provided new or additional funding totaling \$10,897,950 for the acquisition and management of 18 projects in 16 counties. Over 1900 acres of natural areas and wildlife habitat were purchased or protected with KHLCF funds. Local government or university projects were approved in Laurel, Livingston, Hart, Jefferson, Breckinridge and Boone counties. State agency projects were approved in Metcalfe, Henderson, Boyle, Graves, Logan, Meade, Hardin, Breckinridge, Harlan, Hickman, Hart and Lincoln Counties.



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*The Natural Resource Review* is for public distribution - please pass along to others who may be interested. If you would like to be added to the electronic distribution list for *The Natural Resource Review*, please let us know. You may contact the newsletter staff at the e-mail above or by calling 502-564-6940. Learn more about the Kentucky Department for Natural Resources and its available services and programs at [www.dnr.ky.gov](http://www.dnr.ky.gov). Please contact our writing staff with suggestions. Deadline for the submissions in the next issue is December 10, 2010.

Photo by  
J. Hamon